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# HOUSE BILL No. 1134

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 6-7-1; IC 16-46-11-2.

**Synopsis:** Cigarette tax and minority health initiatives. Establishes the minority health initiatives fund, consisting of money from the sale of cigarette tax stamps, to further minority health initiatives. Reduces the amount of the discount given distributors who purchase cigarette tax stamps.

**Effective:** July 1, 2002.

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## Summers, Porter

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January 9, 2002, read first time and referred to Committee on Public Health.

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Second Regular Session 112th General Assembly (2002)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2001 General Assembly.

## HOUSE BILL No. 1134

A BILL FOR AN ACT to amend the Indiana Code concerning health.

*Be it enacted by the General Assembly of the State of Indiana:*

- 1 SECTION 1. IC 6-7-1-17 IS AMENDED TO READ AS FOLLOWS  
2 [EFFECTIVE JULY 1, 2002]: Sec. 17. (a) Distributors who hold  
3 certificates and retailers shall be agents of the state in the collection of  
4 the taxes imposed by this chapter and the amount of the tax levied,  
5 assessed, and imposed by this chapter on cigarettes sold, exchanged,  
6 bartered, furnished, given away, or otherwise disposed of by  
7 distributors or to retailers. Distributors who hold certificates shall be  
8 agents of the department to affix the required stamps and shall be  
9 entitled to purchase the stamps from the department at a discount of  
10 ~~four percent (4%)~~ **three and nine-tenths percent (3.9%)** of the  
11 amount of the tax stamps purchased, as compensation for their labor  
12 and expense.  
13 (b) The department may permit distributors who hold certificates  
14 and who are admitted to do business in Indiana to pay for revenue  
15 stamps within thirty (30) days after the date of purchase. However, the  
16 privilege is extended upon the express condition that a bond or letter  
17 of credit satisfactory to the department, in an amount not less than the



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sales price of the stamps, is filed with the department, and proof of payment is made of all local property, state income, and excise taxes for which any such distributor may be liable. The bond or letter of credit, conditioned to secure payment for the stamps, shall be executed by the distributor as principal and by a corporation duly authorized to engage in business as a surety company or financial institution in Indiana.

SECTION 2. IC 6-7-1-28.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 28.1. **(a) An amount equal to one-tenth of one percent (0.1%) of the amount of tax stamps sold under section 14 of this chapter shall be deposited in the minority health initiatives fund established by IC 16-46-11-2.**

**(b) After the amount described in subsection (a) is deposited in the minority health initiatives fund, the remaining taxes, registration fees, fines, or penalties collected under this chapter shall be deposited in the following manner:**

(1) Seven thirty-firsts (7/31) of the money shall be deposited in a fund to be known as the cigarette tax fund.

(2) One thirty-first (1/31) of the money shall be deposited in a fund to be known as the mental health centers fund.

(3) Fourteen thirty-firsts (14/31) of the money shall be deposited in the state general fund.

(4) Nine thirty-firsts (9/31) of the money shall be deposited into the pension relief fund established in IC 5-10.3-11.

The money in the cigarette tax fund, the mental health centers fund, or the pension relief fund at the end of a fiscal year does not revert to the state general fund. However, if in any fiscal year, the amount allocated to a fund under subdivision (1) or (2) is less than the amount received in fiscal year 1977, then that fund shall be credited with the difference between the amount allocated and the amount received in fiscal year 1977, and the allocation for the fiscal year to the fund under subdivision (3) shall be reduced by the amount of that difference.

SECTION 3. IC 16-46-11-2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 2. **(a) The minority health initiatives fund is established for purposes of carrying out section 1 of this chapter. The fund consists of the following:**

**(1) Money deposited in the fund under IC 6-7-1-28.1.**

**(2) Money appropriated by the general assembly.**

**(3) Money received from any other source.**

**(b) The state department shall administer the fund. The state department shall transfer money in the fund to the Indiana**

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1     **Minority Health Coalition for purposes of carrying out section 1 of**  
2     **this chapter.**

3         **(c) The expenses of administering the fund shall be paid from**  
4     **money in the fund.**

5         **(d) The treasurer of state shall invest the money in the fund not**  
6     **currently needed to meet the obligations of the fund in the same**  
7     **manner as other public money may be invested.**

8         **(e) Money in the fund at the end of a state fiscal year does not**  
9     **revert to the state general fund.**

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